



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

August 14, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**FIVE-YEAR OPTION TO RENEW LEASE NO. 74118
DEPARTMENT OF COMMUNITY AND SENIOR SERVICES
4513 EAST COMPTON BOULEVARD, RANCHO DOMINGUEZ
(SECOND DISTRICT) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Exercise the option to renew the lease for a five-year term with Steven Wuo (Landlord) for 4,436 rentable square feet of building space, located at 4513 East Compton Boulevard, Rancho Dominguez, for the Department of Community and Senior Services (DCSS) at an annual first year rent not to exceed \$58,023, which is 100 percent net County cost.
2. Find that the lease renewal is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of this proposed renewal will extend the term of the lease for five years and allow DCSS to continue to house its East Rancho Dominguez Service Center (ERDSC) staff at 4513 East Compton Boulevard, Rancho Dominguez which provides administrative support services to operate the ERDSC. ERDSC provides social services, e.g., job training, welfare rights, senior employment program, food pantry, transportation voucher distribution, and educational workshops. Additionally, the ERDSC has implemented computer training classes which are offered to the senior community living in close proximity to the location.

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IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we invest in public infrastructure in order to strengthen the County's fiscal capacity. The proposed lease supports this strategy (Goal 4, Strategy 2, Objective 2) with the consolidation of department services to better serve constituents. This proposed lease complies with the Strategic Asset Management Principles, as shown in Attachment A.

FISCAL IMPACT/FINANCING

This Lease renewal option is for five years. The cost for the first year shall not exceed \$58,023 based on the terms and conditions of the lease, which has step increases and limits the annual rental adjustments which average 3 percent per year over the five-year term.

4513 EAST COMPTON BLVD., RANCHO DOMINGUEZ	EXISTING LEASE NO. 74118	FIVE-YEAR LEASE OPTION	CHANGE
Area (Square feet)	4,436	4,436	None
Term	09/01/2002 – 08/31/2007	09/01/2007 – 08/31/2012	+Five years
Annual Base Rent	\$55,361	\$58,023	+\$2,662
Parking (included in base rent)	18 parking spaces	18 parking spaces	None
Cancellation	County may cancel after the 36th month upon 90 days prior written notice	County may cancel anytime upon 90 days prior written notice	- 36 Months
Option to Renew	One five-year option	Five-year option exercised	No option remains
Rental Adjustment	Step increases: Year 1 \$.90/sq.ft. monthly Year 2 \$.95/sq.ft. monthly Year 3 \$.99/sq.ft. monthly Year 4 & 5 \$1.04/sq.ft. monthly	Step increases: Year 1 \$1.09/sq.ft. monthly Year 2 \$1.13/sq.ft. monthly Year 3 \$1.15/sq.ft. monthly Year 4 & 5 \$1.20/sq.ft. monthly	Step increase which averages 3 percent per year over five years

Sufficient funding for the proposed five-year extension is included in the 2007-08 Rent Expense budget and will be charged back to DCSS. The space is fully funded through net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

DCSS has been at this location since 1984. The current lease expires on August 31, 2007.

The proposed exercise of the five-year option provides 4,436 rentable square feet and 18 off-street parking spaces. The ERDSC will provide space for 17 staff: two are County staff and all others are for non-County organizations. The lease also contains the following provisions:

- The renewal commences on September 1, 2007 and ends five years thereafter.
- There are no tenant improvements in this lease.
- Parking for the staff and visitors is available on-site.
- The Lease is split service. Landlord is responsible for all maintenance of the basic structure. County is responsible for all interior maintenance and utilities.
- County has the right to cancel anytime by giving 90 days prior written notice.

NEGATIVE DECLARATION/ENVIRONMENTAL IMPACT REPORT

The Chief Executive Office (CEO) has made an initial study of environmental factors and has concluded that this project is exempt from CEQA pursuant to Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no disruption of services to the public as this is an exercise of an option to renew the lease term with no other changes to the terms and conditions of the lease.

The CEO Real Estate staff surveyed the area within a three-mile radius of the ERDSC area as specified by DCSS in order to maintain close proximity within the service area. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically. Attachment B shows all County-owned and leased facilities within the surrounding East Rancho Dominguez/Compton area and there are no County-owned or leased facilities available for the programs.

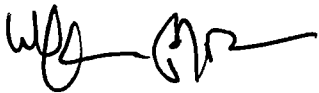
Based upon a market survey of similar properties in the East Rancho Dominguez/Compton area, staff has determined that the base rental range including parking for similar properties is between \$13.08 and \$19.00 per square foot per year modified full-service gross. Thus, the \$13.08 base annual rent of the proposed lease renewal represents a market rental rate in the lower range.

The Honorable Board of Supervisors
August 14, 2007
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CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division, 222 South Hill Street, 4th Floor, Los Angeles, CA 90012.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'WTF', followed by a stylized flourish.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DL
CEM:TS:hd

Attachments (2)

c: County Counsel
Department of Community and Senior Services

4513Compton.b

Attachment A

**DEPARTMENT OF COMMUNITY AND SENIOR SERVICES
EAST RANCHO DOMINGUEZ SERVICE CENTER
4513 EAST COMPTON BOULEVARD, RANCHO DOMINGUEZ
Asset Management Principles Compliance Form¹**

1.	Occupancy	Yes	No	N/A
A	Does lease consolidate administrative functions? ²			x
B	Does lease co-locate with other functions to better serve clients? ² No space is available.		X	
C	Does this lease centralize business support functions?			x
D	Does this lease meet the guideline of 200 sq. ft. of space per person? ² Ratio is 2,218 sq. ft. per person. The space does not meet the 200 sq. ft. per person guidelines since the facility is used primarily as a community center which supports 15 non-County staff and requires large open space to conduct job training, job fairs and educational workshops, food pantry, among other activities.		X	
2.	Capital			
A	Is it a substantial net County cost (NCC) program? 100 % NCC	x		
B	Is this a long term County program?	x		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
D	If no, are there any suitable County-owned facilities available?		X	
E	If yes, why is lease being recommended over occupancy in County-owned space?			x
F	Is Building Description Report attached as Attachment B?	x		
G	Was build-to-suit or capital project considered? The size of the service center does not require a build-to-suit. However, this program could be considered for future relocation anytime, as it has a cancellation anytime with 90 days notice.		X	
3.	Portfolio Management			
A	Did department utilize CEO Space Request Evaluation (SRE)?	x		
B	Was the space need justified?	x		
C	If a renewal lease, was co-location with other County departments considered?		X	
D	Why was this program not co-located?			
	1. ___ The program clientele requires a "stand alone" facility.			
	2. <u>x</u> No suitable County occupied properties in project area.			
	3. <u>x</u> No County-owned facilities available for the project.			
	4. ___ Could not get City clearance or approval.			
	5. ___ The Program is being co-located.			
E	Is lease a full service lease? ² Landlord did not agree to a full-service lease but does pay exterior maintenance, taxes and insurance. County pays interior maintenance, utilities and janitorial.		X	
F	Has growth projection been considered in space request?	x		
G	Has the Dept. of Public Works completed seismic review/approval?	x		
	¹ As approved by the Board of Supervisors 11/17/98			
	² If not, why not?			

**SPACE SEARCH, THREE-MILE RADIUS OF
4513 EAST COMPTON BOULEVARD, RANCHO DOMINGUEZ
DEPARTMENT OF COMMUNITY AND SENIOR SERVICES**

LACO	FACILITY NAME	ADDRESS	SQ. FT. GROSS	SQ. FT. NET	OWNERSHIP	SQ. FT. AVAIL
6467	AG COMM/WTS MEAS- SOUTH	11012 GARFIELD AVE, SOUTH GATE	21,902	15,325	OWNED	NONE
4238	ANIMAL CONTROL #1 ADMINSTRATIVE BUILDING	11258 GARFIELD AVE., DOWNEY 90242	8,449	2,772	OWNED	NONE
6723	PUBIC LIBRARY LYNWOOD	11320 BULLIS RD., LYNWOOD	11,722	10,396	OWNED	NONE
X349	LYNWOOD REGIONAL JUSTICE CENTER COURTHOUSE	11701 S ALAMEDA ST., LYNWOOD	62,078	53,480	FINANCED	NONE
X351	CENTURY DETENTION – DETENTION ADMINISTRATION	11705 S ALAMEDA ST., LYNWOOD 90262	20,706	17,600	FINANCED	NONE
0980	PUBLIC LIBRARY –HOLLYALE	12000 GARFIELD AVE., SOTH GATE 90280	5,530	4,440	LEASED	NONE
1204	HEALTH SERVICES- ADMISTRATION BUILDING 307/308	12817 DAHLIA AVE., DOWNEY 90242	26,475	17,125	OWNEDD	NONE
1203	PUBLIC HEALTH FACILITIES BUILDING 300/302	12838 ERICKSON AVE., DOWNEY 90242	19,757	12,170	OWNED	NONE
C500	DPSS SOUTH FAMILY AP/SPECIAL DISTRICT OFFICES	17600 A/B/SANTA FE AVE., RANCHO DOMINGUEZ 90221	133,000	103,324	LEASED	NONE
6420	COMPTON COURTHOUSE	200 W COMPTON BLVD., COMPTON 90220	576,467	205,939	FINANCED	NONE
X169	DPSS COMPTON AP DISTRICT OFFICE	211 E ALONDRA BLVD., COMPTON	48,135	38,777	OWNED	NONE
3037	MONA-DIRECTORS BUILDING COMFORT STATION	2291 E 121 ST ., COMPTON 90222	829	296	OWNED	NONE
5982	PUBLIC LIBRARY-COMPTON	240 W COMPTON BLVD.	43,842	15,830	OWNED	NONE
A620	PUBLIC LIBRARY EAST RANCHO DOMINGUEZ LIBRARY	4205 E COMPTON BLVD., EAST COMPTON 90221	5,000	4,529	LEASED	NONE
F325	PW-FLOOD IMPERIAL YARD OFFICE	5525 E IMPERIAL HWY., SOUTH GATE 90280	4,800	2,340	PERMIT	NONE
A350	ASSESSOR LONG BEACH REGIONAL OFFICE	5898 CHERRY AVE., LONG BEACH 90808	12,450	6,991	OWNED	NONE
X998	LOS PADRINOS JUVENILE COURTHOUSE	7281 E QUILL DR., DOWNEY 90242	47,231	24,470	OWNED	NONE
A136	FIRE-PARAMOUNT HAZARDOUS MATERIALS DIV OFFICE	7300 E ALONDRA BLVD., PARAMOUNT 90723	1,928	1,830	LEASED	NONE
A755	PUBLIC LIBRARY ADMINISTRATION HDQS	7400 E IMPERIAL HWY., DOWNEY 90242	68,000	55,733	FINANCED	NONE
0600	DOWNEY COURTHOUSE	7500 E IMPERIAL HWY., DOWNEY 90242	103,502	78,996	FINANCED	NONE
3385	RANCHO-HOSPITAL OFFICE BUILDING 500	7601 IMPERIAL HWY., DOWNEY 90242	139,789	63,850	FINANCED	NONE
1100	PUBLIC SAFETY HDQTRS/HEALTH SVCS BUREAV	7601 IMPERIAL HWY., DOWNEY 90242	15,482	9,221	OWNED	NONE
X238	RANCHO SUPPORT SERVICES ADMINISTRATION BLDG.	7601 IMPERIAL HWY., DOWNEY 90242	66,200	56,002	FINANCED	NONE
1100	PUBLIC SAFETY HDQS HEALTH SVCS BUREAU	7601 IMPERIAL HWY., DOWNEY 90242	51,114	9,221	OWNED	NONE
0370	COMPTON AIRPORT ADMIN BUILDING	901 W ALONDRA BLVD., COMPTON 90220	2,880	2,592	OWNED	NONE